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TN REGULATORY AUTHORITY  
DOCKET ROOM  
Reply to  
Nashville Office

July 22, 2005

**HAND DELIVERED**

Chairman Ron Jones  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, Tennessee 37243-0505

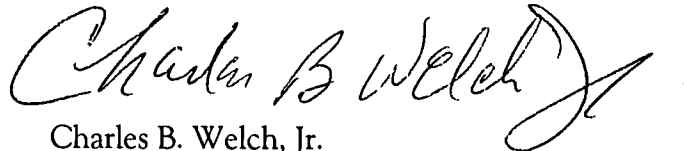
RE: Responses to Second Set of Data Requests (IRM Utility, Inc. Petition to amend Certificate of Convenience and Necessity, Docket No. 05-00055)

Dear Chairman Jones:

Please find enclosed for filing, an original and 14 copies of the referenced document. Please date stamp one copy for my records. Thank you for your assistance regarding this matter. If you have any questions, or if I may be of further assistance, please do not hesitate to contact me.

Very truly yours,

FARRIS MATHEWS BRANAN  
BOBANGO HELLEN & DUNLAP, PLC



Charles B. Welch, Jr.

CBW/tp  
Enclosures

**BEFORE THE TENNESSEE REGULATORY AUTHORITY  
NASHVILLE, TENNESSEE**

<b>IN RE:</b>	)	
<b>PETITION OF IRM UTILITY, INC. TO AMEND</b>	)	
<b>CERTIFICATE OF CONVENIENCE AND</b>	)	<b>DOCKET NO. 05-00055</b>
<b>NECESSITY TO SERVE AN AREA IN SEVIER</b>	)	
<b>COUNTY, TENNESSEE KNOWN AS</b>	)	
<b>STERLING SPRINGS SUBDIVISION</b>	)	

**RESPONSES TO TENNESSEE REGULATORY AUTHORITY'S  
SECOND SET OF DATA REQUESTS**

IRM Utility, Inc., ("IRM"), by and through undersigned counsel of record, hereby provides the following responses to the Tennessee Regulatory Authority's Second Set of Data Requests:

**1. Please provide the estimated amount of contributed capital to IRM once the system is transferred to IRM.**

**ANSWER:** Based on materials and labor, a pre-construction estimate of capital to be contributed by IRM is Two Hundred Twenty-Five Thousand Dollars (\$300,000.00).

**2. Please provide an estimate of the maximum capacity of the system being installed in the area requested.**

**ANSWER:** The maximum capacity of the system is twelve thousand five hundred (12,500) gallons per day.

**3. Please provide an estimated date construction will begin and the date it is estimated to be completed.**

**ANSWER:** Construction is scheduled to begin on September 15, 2005 and to end by November 11, 2005.

**4. Please provide the proposed tariff sheets showing the rate applicable to the new territory.**

**ANSWER:** Please see updated rate summary sheets attached as Exhibit 1.

**5. Will the system being constructed for Sterling Springs be capable of serving more than the Sterling Springs Subdivision? Will the system be designed for expansion?**

**ANSWER:** As designed, the system is not capable of serving an area beyond the Sterling Springs Subdivision. However, the system is designed in such a manner that to make an expansion relatively simple should it become necessary to meet the needs of the subdivision. The engineers designed the system and provided for easements for future expansion if the subdivision uses a higher water capacity than was originally anticipated.

**6. For purposes of this Docket, please provide a description of the technology that is being used for the wastewater system in Sterling Springs Subdivision.**

**ANSWER:** A recirculating, open cell foam media is used as secondary treatment to the wastewater. Solids stay in a septic tank at the individual lots. Ultraviolet light and spin filters are used for purifying of the wastewater. The wastewater is disposed of through a drip irrigation system over a designed area of soil without over-saturation.

**7. The Data Response filed June 30, 2005 indicated that supplemental information would be filed at a later date for questions 2 and 11. Please provide.**

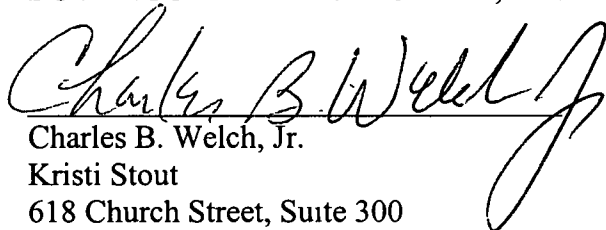
**ANSWER:** The plans are not finalized at this time. The subdivision plat has not been recorded yet. Both will be filed with this Authority upon completion.

**8. Please provide pre-filed testimony.**

**ANSWER:** See attached Exhibit 2.

Respectfully submitted,

FARRIS MATHEWS BRANAN  
BOBANGO HELLEN & DUNLAP, PLC

A handwritten signature in black ink, reading "Charles B. Welch, Jr.", written over a horizontal line.

Charles B. Welch, Jr.

Kristi Stout

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Attorneys for Petitioners

## **EXHIBIT 1**

**IRM Utility, Inc.**  
**Sewer Systems with Commercial Customers or Special Contracts**

<b>System</b>	<b>County</b>
Cove Mountain Realty – 03-00467 – Special Contract	Sevier
Valley Mart Exxon – 03-00467 – Special Contract	Sevier
Lot 23, The River Club – 04-00152 – Special Contract	Knox
Wild Briar Ridge – 05-00056 (Pending) – Special Contract**	Sevier
Sterling Springs – 05-00055 (Pending) – Special Contract**	Sevier

**\*\* Residential rate of \$35.11/month will apply unless units are on rental programs or have high bedroom capacities requiring a commercial rate (See commercial tariff sheet).**

**IRM Utility, Inc.**  
Sewer Systems with Residential Customers

System	Monthly Charge
Emory Pointe – 04-00101 – Sheet 2	\$35.11
Wild Pear Shores – 04-00153 – Sheet 3	\$35.11
Compass Pointe – 04-00266 - Sheet 4	\$35.11
Lashbrooke – 04-00268 - Sheet 5	\$35.11

## **EXHIBIT 2**



**BEFORE THE TENNESSEE REGULATORY AUTHORITY  
NASHVILLE, TENNESSEE**

<b>IN RE:</b>	)	
<b>PETITION OF IRM UTILITY, INC. TO AMEND</b>	)	
<b>CERTIFICATE OF CONVENIENCE AND</b>	)	<b>DOCKET NO. 05-00055</b>
<b>NECESSITY TO SERVE AN AREA IN SEVIER</b>	)	
<b>COUNTY, TENNESSEE KNOWN AS</b>	)	
<b>STERLING SPRINGS SUBDIVISION</b>	)	

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**PRE-FILED DIRECT TESTIMONY OF SCOTT WILLIAMS**

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**Q. State your name for the record and your position with the Petitioner, IRM Utility, Inc.**

A Scott Williams I am the Vice President of IRM Utility, Inc , ("IRM")

**Q: Are you presenting testimony on behalf of IRM, Utility, Inc.**

A Yes

**Q: Did you assist and cause to filed the Petition in this proceeding requesting an expansion of service area and an extension of authority for IRM to provide waste water sewer services in Sevier County to a residential subdivision known as Sterling Springs?**

A Yes

**Q: Can you describe the service you will be providing**

A Yes, IRM plans to operate an on-site wastewater treatment facility that beneficially reuses the water in subsurface drip irrigation systems.

**Q: Do you operate any systems in this area?**

A: IRM currently operates systems in both Sevier County as well as surrounding counties We operate systems at Cove Mountain Realty and Valley Mart Exxon in Sevier County Wild Pear Shores, Compass Pointe, LashBrooke, and Emory Pointe are in surrounding counties We have two pending projects including Sterling Springs in Sevier County

**Q. When did the company receive its first certificate from the Authority to operate a sewer system in Tennessee?**

A March 16, 2004.

**Q. Does IRM Utility, Inc. have the management, technical and financial ability to provide wastewater service in the area referred to in this Petition?**

A Yes

**Q: Have you contacted other potential utility service providers in the area to determine whether they might have any plans to service the area?**

A Yes The Sevier County Government has provided a letter indicating they do not intend to provide wastewater service It was attached as Exhibit B to the Petition

**Q: Is all of the information in the petition accurate to the best of your knowledge.**

A Yes, it is

**Q: Have you submitted plans to the Tennessee Department of Environment and Conservation for approval?**

A Not at this time. The plans are in the final stage of completion

**Q: Does this conclude your testimony?**

A Yes

I swear that the foregoing testimony is true and correct to the best of my knowledge



Name Scott Williams


Title Vice President

IRM Utility, Inc

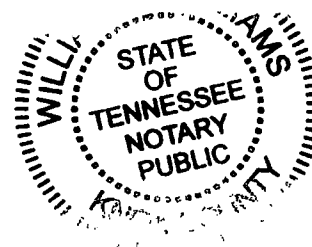
STATE OF TENNESSEE )

COUNTY OF KNOX )

Subscribed and Sworn to me this 21<sup>th</sup> day of July, 2005

  
Notary Public

My Commission Expires. 8 Feb 2009



SEAL